

House File 235 - Introduced

HOUSE FILE 235
BY STONE

A BILL FOR

1 An Act modifying the general and rural county services levy rate
2 limitation for fiscal years beginning on or after July 1,
3 2026.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 331.423, subsection 1, Code 2025, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. d. (1) Notwithstanding the limitations under
4 paragraphs "b" and "c", for fiscal years beginning on or after
5 July 1, 2026, if the total assessed value used to calculate taxes
6 for general county services under this subsection for the budget
7 year is equal to or less than one hundred one percent of the
8 total assessed value used to calculate taxes for general county
9 services for the current fiscal year, the levy rate under this
10 subsection may be increased up to a rate per thousand dollars
11 of assessed value used to calculate taxes that is equal to
12 one thousand multiplied by the quotient of one hundred three
13 percent of the current fiscal year's actual property tax dollars
14 certified for levy under this subsection 1 divided by the total
15 assessed value used to calculate such taxes for the budget year.

16 (2) A general county basic levy rate shall only be adjusted
17 under this paragraph one time for one fiscal year for each
18 county.

19 Sec. 2. Section 331.423, subsection 2, Code 2025, is amended
20 by adding the following new paragraph:

21 NEW PARAGRAPH. d. (1) Notwithstanding the limitations under
22 paragraphs "b" and "c", for fiscal years beginning on or after
23 July 1, 2026, if the total assessed value used to calculate taxes
24 for rural county services under this subsection for the budget
25 year is equal to or less than one hundred one percent of the
26 total assessed value used to calculate taxes for rural county
27 services for the current fiscal year, the levy rate under this
28 subsection may be increased up to a rate per thousand dollars
29 of assessed value used to calculate taxes that is equal to
30 one thousand multiplied by the quotient of one hundred three
31 percent of the current fiscal year's actual property tax dollars
32 certified for levy under this subsection 2 divided by the total
33 assessed value used to calculate such taxes for the budget year.

34 (2) A rural county basic levy rate shall only be adjusted
35 under this paragraph one time for one fiscal year for each

1 county.

2 EXPLANATION

3 The inclusion of this explanation does not constitute agreement with
4 the explanation's substance by the members of the general assembly.

5 This bill modifies the general and rural county services levy
6 rate limitation for fiscal years beginning on or after July 1,
7 2026.

8 Under the bill, the general county services levy rate may be
9 increased if the total assessed value for the budget year is
10 equal to or less than 101 percent of the total assessed value
11 use to calculate taxes for the current fiscal year. The general
12 county services rate may be increased up to a rate per \$1,000 of
13 assessed value that is equal to 1,000 multiplied by the quotient
14 of 103 percent of the current fiscal year's actual property tax
15 dollars certified for levy divided by the total assessed value
16 used to calculate such taxes for the budget year.

17 The rural county basic levy rate may be similarly adjusted
18 under the bill.

19 The bill specifies a general or rural county services levy
20 rate may only be adjusted one time for one fiscal year.